

LABOR & WORKFORCE DEVELOPMENT

A quarterly publication for employers from the Tennessee Department of Labor & Workforce Development
December 2007

Illegal Alien Employment Act takes effect January 1, 2008

The Tennessee Department of Labor and Workforce Development will begin enforcement of the Illegal Alien Employment Act in January of 2008. Under the law, an employer who knowingly hires an illegal immigrant could lose any local or state issued license related to his business for up to one year.

"Employers are already required by federal law to only hire workers who are either citizens of the United States or who are here on valid work visas," said Governor Bredesen. "The goal of this new legislation is to help ensure that employers do their due diligence in determining that the employee they hire is someone who is in the United States legally."

The law gives an employer 14 days to receive and document, in an employee's file, lawful resident verification information consistent with employer requirements under the Immigration Reform and Control Act. An employer who does that or who verifies the employee's immigration status by using the federal electronic work authorization verification service provided by the Department of Homeland Security will not have any issues with this law.

"Those who knowingly violate the law do face penalties," said Labor and Workforce Development Commissioner James Neeley. "The first violation results in a suspension of a business license until the person shows there are no longer any violations; a second or subsequent violation occurring within three years from the first offense results in a one-year license suspension."

The Tennessee Department of Labor and Workforce Development will have the authority to enforce the law. The division of Labor Standards will investigate complaints received from a state or local governmental agency that a person is violating or has violated the act. The division is composed of seven field offices in addition to the central office in Nashville. Complaints must be in writing from any state or local governmental agency. The law does not authorize the filing of complaints by the general public.

For more information about the Illegal Alien Employment Act go to the Department of Labor & Workforce Development Web site at www.tennessee.gov/labor-wfd.

Study identifies skills needed for projected jobs with highest growth

A recent departmental study on Tennessee's workforce and future job needs found customer service knowledge to be the highest ranked need among jobs expected to show the most growth through 2014 (Tennessee's Workforce – Investing for Growth, August 2007). This result was confirmed by an article

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End-of-year reminders

You must pay all unemployment insurance premiums to your state unemployment insurance fund by the **January 31, 2008**, due date of your federal 940 return in order to take the full credit against your federal unemployment (FUTA) tax liability.

If you file your quarterly reports on paper, we ask you to please send the premium report and wage report *together* in a single envelope. Both reports should be signed and dated and a contact phone number provided. In addition, your total wages figure for the quarter should be entered in the proper slot on each report.

If you file your employee wage items on disk, remember to enclose your CD or diskette as well; however, we ask that you not include an individualized wage listing in addition to one submitted on disk. Of course, if you file online via TNPAWS (as some 30,000+ employers now do) or via our modem-to-modem Bulletin Board System, there's absolutely no need for you to file either the premium or wage report on paper!

Based on the current level of Tennessee's Unemployment Compensation Trust Fund - and its projected level at December 31, 2007 - it appears likely **Premium Table 3** will become effective on January 1, 2008. Table 3 contains slightly higher rates for positive-reserve, calculated-rate employers than does the currently active Table 4. You will be notified by mail of any premium table change and your rate effective for the first quarter 2008.

Needs study (cont.)

in "USA Today" on August 20, 2007, in which prominent CEOs called customer service the key to sustainable growth for their companies.

Other critical knowledge needs were found to be personal service and foreign language, particularly for jobs expected to grow about two percent per year. There is also a need for physics, as well as administration and management, English, law and government, clerical, and engineering and technology knowledge in openings of jobs at all growth levels.

The study looked at skill as well as knowledge needs. Skills were grouped according to their relative need in job openings. Vital skills needed for growing jobs included active listening and reading comprehension, especially for jobs growing at two percent. Significant skills are also needed in speaking, time management, critical thinking, active learning, coordination, and writing at all growth levels. Other skills needed include instructing, social perceptiveness, learning strategies, and service orientation. Identification of these skills should facilitate the hiring of workers with a good skills match.

The entire study is available on the department's Web site in the Labor Market Information section at www.tn.gov/labor-wfd.

Required posters available free

All required federal and state posters, including the new minimum wage poster, are available free from the Tennessee Department of Labor & Workforce Development and can be downloaded from the department's Web site at www.tn.gov/labor-wfd. If you do not have Internet access, you may request a set of posters from the TDLWD Communications Office at 615.741.2257.

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Tax Credit Program extended

The Small Business and Work Opportunity Tax Act of 2007 overwhelmingly passed Congress and was signed by the President in May. The following is a summary of this legislation as it affects the WOTC Program. New changes and provisions are effective for hires which occur on or after May 26, 2007. The legislation

Allows WOTC tax credits to offset Alternative Minimum Taxes (AMT) effective for taxable years beginning after December 31, 2006 and provides for carry backs of such credit.

Extends the WOTC Program for 44 months, i.e., through August 31, 2011, with statutory changes (amendments) to the following three target groups:

Qualified Veterans: Creates a new "Disabled Veteran" category, and expands the definition of "qualified first-year wages" from \$6,000 to \$12,000 for this new category;
High-Risk: Redefines this target group

by adding a new zone type called "rural renewal county" and expands the qualifying age range from 18 years of age to 40 years of age;
Vocational Rehabilitation Referrals: Redefines this target group by including individuals who complete a work plan developed and implemented by an employment network.

Tennessee employers who have questions regarding the WOTC program should contact Roger Littlejohn, State WOTC Coordinator, at 800.432.5268 ext#563 or Roger.Littlejohn@state.tn.us.

Dateline: Labor & Workforce Development	
www.tennessee.gov/labor-wfd	
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